

**U.S. POSTAL SERVICE
GROUND LESSOR AGREEMENT**

(To be executed and attached to memo of lease before it is recorded)

Facility Name:	GENERAL MAIL FACILITY - OXBOW BLDGS 250 & 252	
	Seattle, WA 98134-9998	KING COUNTY

The undersigned, Seattle First National Bank, Mondo Desimone and Jacqueline E. Danieli, as Co-Trustees under the Last Will and Testament of Giuseppe Desimone, deceased, and as Co-Trustees under the Last Will and Testament of Assunta Desimone, deceased; and Joseph R. Desimone and Richard L. Desimone, Jr., both individually and as Co-Trustees under the Last Will and Testament of Richard L. Desimone, deceased, and as Personal Representatives of the Estate of Katherine M. Desimone; and Richard L. Desimone, Jr., as Trustee of the Richard L. Desimone III Trust, the John A. Desimone Trust, and the Ann M. Desimone Trust, as Ground Lessor under those certain Ground Leases dated June 1, 1987, and February 3, 1989, (collectively the "Ground Lease") with regard to the real property situated at:

Oxbow - Buildings 250 and 252, Seattle, Washington 98134-9998, as more particularly shown as Parcel A and B on that certain survey of the Oxbow site by EMS, Inc. dated September 26, 1995,

hereby consent to the subleasing of said property to the U.S. Postal Service and agree for themselves, their successors, executors, administrators and assigns that in the event Sabey Corporation, the Ground Lessee, defaults under the Ground Lease, the undersigned Ground Lessor will not disturb the U.S. Postal Service's quiet use and possession on account of said default so long as the U.S. Postal Service pays to the Ground Lessor its prorata portion of the rent due under the Ground Lease in the ratio the land area subject to the Sub Lease (as shown on the above survey) bears to the total land area subject to the Ground Lease and pays all other sums applicable to the property described in the Sub Lease and agrees to perform and performs or causes to be performed the other covenants in accordance with the Ground Lease which are applicable to the property described in the Sub Lease, with the understanding paragraphs 3.2 (3.3 in the June 1, 1987 Ground Lease), 15.1, 15.2, 16, 18 and 20 of the Ground Lease shall be modified to be as follows (it being expressly understood that the provisions below are only applicable with respect to the U.S. Postal Service's rights but do not modify the obligations of the Ground Lessee under the Ground Lease):

3.2 shall read as follows: Interest on Late Payments; Late Charge. This paragraph does not apply to construction payments, which payments are subject to the Prompt Payment Act; however, if any rental payment is not paid on the due date thereof unless prohibited by Contract Disputes Act: (i) such overdue amounts shall bear interest (said total interest offset by any interest from Prompt Payment Act and Contract Disputes Act requirements) at a rate equal to three percentage points above the prime rate of interest stated from time to time by Seattle-First National Bank or its successor, or, in the absence of an established prime rate, five (5) percentage points over that bank's rate for one year certificates of deposit, but not in excess of the highest lawful rate permitted under applicable laws, calculated from the original due date thereof to the date of payment; and (ii) Lessee shall pay Lessor a late charge equal to five percent (5%) of such overdue amount; provided, however, in the event such amounts have not been paid by the thirtieth (30th) day after the due date, an additional five percent (5%) late charge shall accrue and if not paid after the forty fifth (45th) day, an additional five percent (5%) late charge shall accrue. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Lessor will incur by reason of late payment by Lessee, the exact amount of which would be difficult to ascertain. Acceptance by Lessor of any partial amounts due under the Lease shall in no event constitute a waiver of Lessee's default with respect to any overdue amount, nor prevent Lessor from exercising any of its other rights and remedies granted under this Lease or by law or in equity.

15.1 shall read as follows: Indemnification. To the extent permitted by law, Lessee agrees to indemnify and hold harmless Lessor and any mortgagee or lessor of the demised premises or any portion thereof, from and against any and all claims, actions, damages, liabilities, losses, costs and expenses, including attorneys' fees, resulting from (i) the use of the demised premises by Lessee or its sublessee's or assigns during the original term or any renewal term of this Lease, or (ii) the negligence or wrongful act or omission of Lessee or its employees while acting within the scope of their employment where Lessee, if a private person, would be liable in accordance with the law of the place where the negligence or wrongful act or omission occurred, provided Lessee shall be under no obligation to save harmless or indemnify Lessor from its own acts or negligence or the acts or negligence of its employees or agents and Lessor shall pay its prorata share based to the extent its act or negligence is proportionately responsible for the claim, action, liability, loss or damage, i.e. if Lessor, its employees or agents are twenty five percent responsible, Lessor shall pay twenty five percent of the claim, actions, liability, loss or damage.

15.2 shall read as follows: Liability Insurance. The parties hereto agree that requirements for insurance have not been included in this agreement in recognition of the status of the USPS as an establishment of the executive branch of the United States government and in reliance upon the representations of the USPS that it will be self-insured and such self insurance shall provide to the Ground Lessor similar protection as if the Ground Lease insurance provision had been in effect. USPS specifically agrees to provide policies of insurance in such types and in such amounts and containing such conditions as shall be reasonably required by Lessor should the USPS at any time during this agreement cease to be an entity of the government of the United States of America.

16.0 shall read as follows: Fire Insurance. The Lessee shall procure and maintain at its sole expense, (or provide self insurance and such self insurance shall provide to the Ground Lessor similar protection as if the Ground Lease insurance provision had been in effect) standard fire and special extended peril coverage (all risk except perils of earthquake and flood) on all of the improvements on the Premises to the extent of the full insurable value of those improvements. Such insurance shall include an inflation endorsement and shall be written with companies satisfactory to the Lessor. Upon Lessor's request, Lessee shall furnish Lessor with a copy of said insurance policy. All policies shall be made payable to the Lessor and Lessee, to the end that the Lessee shall be entitled to collect, for the use and benefit of the Lessor and Lessee, as their interests may appear, all money due under said policies payable in the event of, and by reason of, the loss or damage by fire or other causes covered by such policies, of the buildings or other improvements on the Premises. Said insurance shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor at least thirty (30) days' prior written notice. If any incident occurs which occasions any payment of proceeds of said insurance, the Lessee shall have sixty (60) days after said incident in which to decide whether or not to rebuild or repair the Premises. If the Lessee gives written notice to the Lessor within said sixty (60) day period that it has elected to rebuild or repair the Premises, the Lessee shall promptly thereafter place said improvements in substantially the same condition (or of comparable value) as they were before said incident which caused the payment of the proceeds of said insurance. All proceeds of said insurance shall be applied toward the cost of said rebuilding or repairs, except that if there is any balance remaining after said improvements have been placed in substantially the same condition as they were before said incident (or of comparable value), said balance shall be divided as set forth below. If the Lessee should fail to give said notice within said sixty (60) day period, then neither party shall have any

responsibility to rebuild or repair the Premises, and the insurance proceeds shall be divided between the Lessor and the Lessee in proportion to the appraised values of their respective estates in the improvements taken. In determining the appraised value of the Lessor's reversionary interest in said improvements, the appraiser shall assume that the improvements which were damaged or destroyed would have remained on the Premises during the remainder of the Lease term, as extended, and that the Lessee would have exercised its option to renew. Such appraised value shall be determined by using the same procedure for the appointment of (and sharing the cost of) appraisers as is set forth in paragraph 4.1. hereof.

18.0 shall read as follows: Default. Issues of default shall be governed by and subject to the Contract Disputes Act. Subject to the Contract Disputes Act: If at any time during the term of this Lease the Lessee shall fail to pay the rentals provided for herein or if the Lessee shall fail to comply with any of the other terms and conditions of this Lease, the Lessor may give written notice to the Lessee to pay such rentals or otherwise comply with the terms and provisions of this Lease, as the case may be. If such default is not cured within ninety (90) days as to a default in the payment of rent or within forty five (45) days as to any other default after such notice, the Lessor shall have, in addition to such remedies as may be afforded by the laws of the State of Washington, the power and right to declare this Lease terminated and re-enter the Premises, but notwithstanding such remedies or termination and re-entry by the Lessor the liability of the Lessee for the rent provided for herein shall continue, and in discharge of such liability, the Lessee covenants and agrees to make good to the Lessor any deficiency arising from the re-entry and reletting of the Premises at a lesser rental than herein reserved, and to pay such deficiency each month as the amount thereof is ascertained by the Lessor. If the matter that is the subject to the notice of default is of such a nature that it cannot be reasonably corrected within forty five (45) days, no default shall be deemed to have occurred if Lessee promptly, upon the receipt of notice, commences the curing of the default and diligently prosecutes the same to completion.

20.0 shall read as follows: Attorneys Fees. Each parties' rights to recover legal fees shall be governed by and subject to the Equal Access to Justice Act. Subject to the Equal Access to Justice Act: If, by reason of any default on the part of the Lessee or the Lessor in the performance of any of the terms of provisions of this Lease, it becomes reasonable for the Lessor or the Lessee to employ an attorney, the defaulting party agrees to pay all costs, expenses and

attorneys fees reasonably expended or incurred by the nondefaulting party in connection therewith.

The undersigned also consent to the attached Sub-ground Lease Agreement which will be entered into at closing in the event the Postal Service exercises the Option to Purchase contained in the lease, and agree for themselves, their successors, executors, administrators and assigns that in the event Sabey Corporation, the Ground Lessee, defaults under the Ground Lease, the undersigned Ground Lessor will not disturb the U.S. Postal Service's quiet use and possession on account of said default so long as the Postal Service pays to the Ground Lessor its prorata portion of the rent due under the Ground Lease in the ratio the land area subject to the Sub-ground Lease (as shown on the above survey) bears to the total land area subject to the Ground Lease and pays all other sums applicable to the property described in the Sub-ground Lease and agrees to perform and performs or causes to be performed the other covenants in accordance with the Ground Lease which are applicable to the property described in the Sub-ground Lease with the understanding paragraphs 3.2 (3.3 in the June 1, 1987 Ground Lease), 15.1, 15.2, 16, 18 and 20 of the Ground Lease shall be modified to be as follows (it being expressly understood that the provisions below are only applicable with respect to the U.S. Postal Service's rights but do not modify the obligations of the Ground Lessee under the Ground Lease):

3.2 shall read as follows: Interest on Late Payments; Late Charge. If any rental payment is not paid on the due date thereof, unless prohibited by Contract Disputes Act: (i) such overdue amounts shall bear interest (said total interest offset by any interest from Prompt Payment Act and Contract Disputes Act requirements) at a rate equal to three percentage points above the prime rate of interest stated from time to time by Seattle-First National Bank or its successor, or, in the absence of an established prime rate, five (5) percentage points over that bank's rate for one year certificates of deposit, but not in excess of the highest lawful rate permitted under applicable laws, calculated from the original due date thereof to the date of payment; and (ii) Postal Service shall pay Owner a late charge equal to five percent (5%) of such overdue amount; provided, however, in the event such amounts have not been paid by the thirtieth (30th) day after the due date, an additional five percent (5%) late charge shall accrue and if not paid after the forty fifth (45th) day, an additional five percent (5%) late charge shall accrue. The parties hereby agree that such late charge represents a fair and reasonable estimate of the costs Owner will incur by reason of late payment by Postal Service, the exact amount of which would be difficult to ascertain. Acceptance by Owner of any partial amounts due under the Lease shall in no event constitute a waiver of Postal Service's default with respect to any overdue amount, nor prevent Owner

from exercising any of its other rights and remedies granted under this Lease or by law or in equity.

15.1 shall read as follows: Indemnification. To the extent permitted by law, Lessee agrees to indemnify and hold harmless Lessor, and any mortgagee or lessor of the demised premises or any portion thereof, from and against any and all claims, actions, damages, liabilities, losses, costs and expenses, including attorneys' fees, resulting from (i) the use of the demised premises by Lessee or its sublessee's or assigns during the original term or any renewal term of this Lease, or (ii) the negligence or wrongful act or omission of Lessee or its employees while acting within the scope of their employment where Lessee, if a private person, would be liable in accordance with the law of the place where the negligence or wrongful act or omission occurred, provided Lessee shall be under no obligation to save harmless or indemnify Lessor from its own acts or negligence or the acts or negligence of its employees or agents and Lessor shall pay its prorata share based to the extent its act or negligence is proportionately responsible for the claim, action, liability, loss or damage, i.e. if Lessor, its employees or agents are twenty five percent responsible, Lessor shall pay twenty five percent of the claim, actions, liability, loss or damage.

15.2 shall read as follows: Liability Insurance. The parties hereto agree that requirements for insurance have not been included in this agreement in recognition of the status of the USPS as an establishment of the executive branch of the United States government and in reliance upon the representations of the USPS that it will be self-insured and such self insurance shall provide to the Ground Lessor similar protection as if the Ground Lease insurance provision had been in effect. USPS specifically agrees to provide policies of insurance in such types and in such amounts and containing such conditions as shall be reasonably required by Lessor should the USPS at any time during this agreement cease to be an entity of the government of the United States of America.

16.0 shall read as follows: Fire Insurance. The Lessee shall procure and maintain at its sole expense, (or provide self insurance and such self insurance shall provide to the Ground Lessor similar protection as if the Ground Lease insurance provision had been in effect) standard fire and special extended peril coverage (all risk except perils of earthquake and flood) on all of the improvements on the Premises to the extent of the full insurable value of those improvements. Such insurance shall include an inflation endorsement and shall be written with companies satisfactory to the Lessor. Upon Lessor's request, Lessee shall furnish Lessor with a copy of said insurance policy. All policies shall be made payable to the Lessor and Lessee, to the end that the Lessee shall be

entitled to collect, for the use and benefit of the Lessor and Lessee, as their interests may appear, all money due under said policies payable in the event of, and by reason of, the loss or damage by fire or other causes covered by such policies, of the buildings or other improvements on the Premises. Said insurance shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor at least thirty (30) days' prior written notice. If any incident occurs which occasions any payment of proceeds of said insurance, the Lessee shall have sixty (60) days after said incident in which to decide whether or not to rebuild or repair the Premises. If the Lessee gives written notice to the Lessor within said sixty (60) day period that it has elected to rebuild or repair the Premises, the Lessee shall promptly thereafter place said improvements in substantially the same condition (or of comparable value) as they were before said incident which caused the payment of the proceeds of said insurance. All proceeds of said insurance shall be applied toward the cost of said rebuilding or repairs, except that if there is any balance remaining after said improvements have been placed in substantially the same condition as they were before said incident (or of comparable value), said balance shall be divided as set forth below. If the Lessee should fail to give said notice within said sixty (60) day period, then neither party shall have any responsibility to rebuild or repair the Premises, and the insurance proceeds shall be divided between the Lessor and the Lessee in proportion to the appraised values of their respective estates in the improvements taken. In determining the appraised value of the Lessor's reversionary interest in said improvements, the appraiser shall assume that the improvements which were damaged or destroyed would have remained on the Premises during the remainder of the Lease term, as extended, and that the Lessee would have exercised its option to renew. Such appraised value shall be determined by using the same procedure for the appointment of (and sharing the cost of) appraisers as is set forth in paragraph 4.1. hereof.

18.0 shall read as follows: Default. Issues of default shall be governed by and subject to the Contract Disputes Act. Subject to the Contract Disputes Act: If at any time during the term of this Lease the Lessee shall fail to pay the rentals provided for herein or if the Lessee shall fail to comply with any of the other terms and conditions of this Lease, the Lessor may give written notice to the Lessee to pay such rentals or otherwise comply with the terms and provisions of this Lease, as the case may be. If such default is not cured within ninety (90) days as to a default in the payment of rent or within forty five (45) days as to any other default after such notice, the Lessor shall have, in addition to such remedies as may be afforded by the laws of the State of

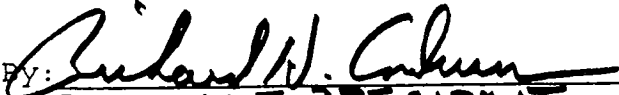
Washington, the power and right to declare this Lease terminated and re-enter the Premises, but notwithstanding such remedies or termination and re-entry by the Lessor the liability of the Lessee for the rent provided for herein shall continue, and in discharge of such liability, the Lessee covenants and agrees to make good to the Lessor any deficiency arising from the re-entry and reletting of the Premises at a lesser rental than herein reserved, and to pay such deficiency each month as the amount thereof is ascertained by the Lessor. If the matter that is the subject to the notice of default is of such a nature that it cannot be reasonably corrected within forty five (45) days, no default shall be deemed to have occurred if Lessee promptly, upon the receipt of notice, commences the curing of the default and diligently prosecutes the same to completion.

20.0 shall read as follows: Attorneys Fees. Each parties' rights to recover legal fees shall be governed by and subject to the Equal Access to Justice Act. Subject to the Equal Access to Justice Act: If, by reason of any default on the part of the Lessee or the Lessor in the performance of any of the terms of provisions of this Lease, it becomes reasonable for the Lessor or the Lessee to employ an attorney, the defaulting party agrees to pay all costs, expenses and attorneys fees reasonably expended or incurred by the nondefaulting party in connection therewith.

The undersigned acknowledge that the U.S. Postal Service will be obligated only to the extent provided in the Sub-ground Lease Agreement attached hereto, but subject to the provisions above such Sub-ground Lease is subject and subordinate to the Ground Lease.

It is expressly understood that the undersigned shall have no responsibility for construction of the Lessee Improvements as set forth in Section 1.1 of the lease with the U.S. Postal Service, or any responsibility or liability for the payment or performance of any of the other covenants, conditions or obligations of said lease or the Sub-ground Lease, nor shall the undersigned receive any compensation to be paid for the construction of said Lessee Improvements.

Seattle First National Bank, as
Co-Trustee under the Last Will and
Testament of Giuseppe Desimone,
deceased, and as Co-Trustee under
the Last Will and Testament of Assunta
Desimone, deceased

By: 
Its: VICE PRESIDENT

By:

Its:

James K. Callahan
VICE PRESIDENT

Mondo Desimone
Mondo Desimone, as Co-Trustee under the Last Will and Testament of Giuseppe Desimone, deceased, and as Co-Trustee under the Last Will and Testament of Assunta Desimone, deceased

Jacqueline E. Danielli
Jacqueline E. Danielli, as Co-Trustee under the Last Will and Testament of Giuseppe Desimone, deceased, and as Co-Trustee under the Last Will and Testament of Assunta Desimone, deceased

Joseph R. Desimone
Joseph R. Desimone, individually as Co-Trustee under the Last Will and Testament of Richard L. Desimone, deceased, and as Personal Representative of Katherine M. Desimone, deceased

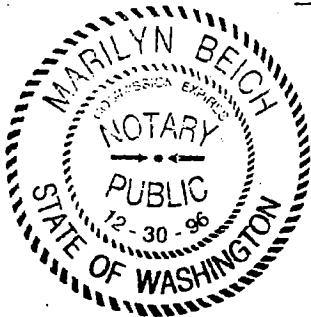
Richard L. Desimone, Jr.
Richard L. Desimone, Jr., individually as Co-Trustee under the Last Will and Testament of Richard L. Desimone, deceased, and as Personal Representative of Katherine M. Desimone, deceased

Richard L. Desimone, Jr.
Richard L. Desimone, Jr., as Trustee of the Richard L. Desimone III Trust, the John A. Desimone Trust, and the Ann M. Desimone Trust

STATE OF WASHINGTON)
: ss.
COUNTY OF K I N G)

I certify that I know or have satisfactory evidence that Richard H. Anderson and James K. Gallagher are the persons who appeared before me, signed this instrument, on oath stated that they were authorized to execute said instrument as Vice Pres and Vice Pres of SEATTLE-FIRST NATIONAL BANK, and that the corporate seal, if affixed, is the corporate seal of said corporation, and acknowledged said instrument as the _____ and _____ of SEATTLE-FIRST NATIONAL BANK to be the free and voluntary act of said corporation, for the uses and purposes mentioned in said instrument.

Dated 11-14, 1995.

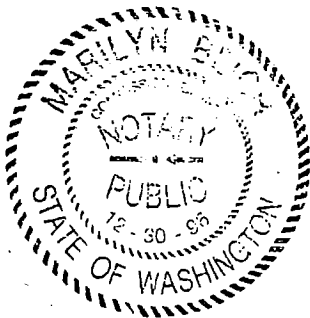


Marilyn Beich
Notary Public in and for the
State of Washington.
My Appointment Expires 12-30-96
Print/type name MARILYN BEICH

STATE OF WASHINGTON)
: ss.
COUNTY OF K I N G)

I certify that I know or have satisfactory evidence that MONDO DESIMONE is the person who appeared before me, signed this instrument and acknowledged it to be his free and voluntary act and deed, for the uses and purposes therein mentioned in the instrument.

Dated 11-14, 1995.

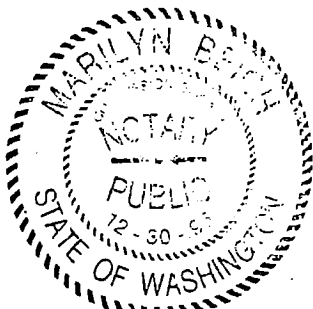


Marilyn Beich
Notary Public in and for the
State of Washington.
My Appointment Expires 12-30-96
Print/type name MARILYN BEICH

STATE OF WASHINGTON)
: SS.
COUNTY OF K I N G)

I certify that I know or have satisfactory evidence that JACQUELINE E. DANIELI is the person who appeared before me, signed this instrument and acknowledged it to be her free and voluntary act and deed, for the uses and purposes therein mentioned in the instrument.

Dated 11-14, 1995.

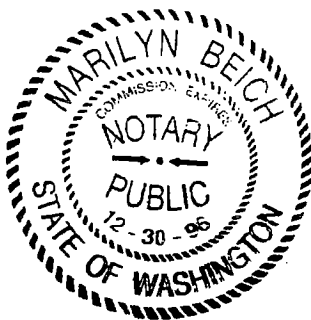


Marilyn Beich
Notary Public in and for the
State of Washington.
My Appointment Expires 12-30-96
Print/type name MARILYN BEICH

STATE OF WASHINGTON)
: SS.
COUNTY OF K I N G)

I certify that I know or have satisfactory evidence that JOSEPH R. DESIMONE is the person who appeared before me, signed this instrument and acknowledged it to be his free and voluntary act and deed, for the uses and purposes therein mentioned in the instrument.

Dated 11-13, 1995.



Marilyn Beich
Notary Public in and for the
State of Washington.
My Appointment Expires 12-30-96
Print/type name MARILYN BEICH

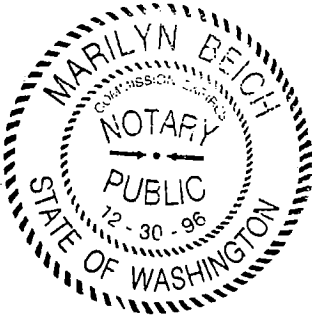
STATE OF WASHINGTON)

: ss.

COUNTY OF KING)

I certify that I know or have satisfactory evidence that RICHARD L. DESIMONE, JR. is the person who appeared before me, signed this instrument and acknowledged it to be his free and voluntary act and deed, for the uses and purposes therein mentioned in the instrument.

Dated 11-13, 1995.



Marilyn Beich

Notary Public in and for the
State of Washington.

My Appointment Expires 12-30-96

Print/type name MARILYN BEICH

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